

CITY OF SANTA PAULA

June 7, 1978

MEMORANDUM

TO: THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: AREAS OF POSSIBLE BUDGET MODIFICATIONS RE JARVIS AMENDMENT

The attached information has been generated by the staff as a means of instituting discussion by the City Council regarding the changes which will be necessary for the City to live within the expected constraints imposed by the Jarvis amendment.

We start with a revenue "guess"; and we say "guess" because as you are all aware, the Jarvis amendment provides for distribution of the 1% of market value in accordance with law. Law does not exist; therefore, we can only guess at what our revenue reduction will be. We also have no knowledge at this time as to whether or not any other revenue will be received from other sources.

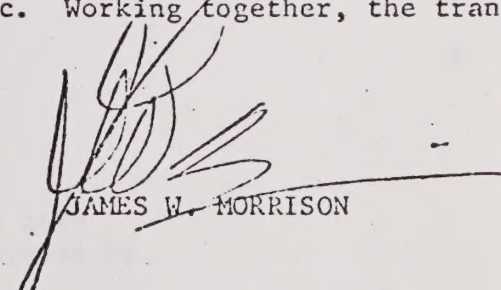
It would be my suggestion that we commence reviewing our operation on the assumption that we will lose \$778,000. As information is developed over the next couple of weeks, we can adjust as indicated.

I think it is important to indicate that the reductions in the budget are not necessarily recommended, but are steps that are felt to be necessary to live within what we feel will be our income. If funds are available, programs and positions should be reinstituted. It should not be said that we recommended their deletion and therefore they are not needed.

In looking at the areas of the budget which might be reduced as compared to the recommended 78/79 budget, it is noted that 62% of the proposed budget, discounting special funds for capital improvements, constitutes employee costs. A review of the suggested reductions would also indicate that 62% of this figure is employee costs (a coincidence).

Our Personnel Rules and Regulations require that we provide employees a minimum of one pay period notice of termination. This would indicate that we should notify any employees to be laid off by June 16. If there are any modifications in our revenue picture that would result in a possible change, the notices could be rescinded.

The period of time between now and July 1 is going to be extremely difficult for everyone. There is a lack of information on which to base judgments. I am sure that as we proceed to adjust, the employees will continue their high level of cooperation and service to the public. Working together, the transition will be eased as much as possible.



JAMES W. MORRISON

JWM:gen

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JARVIS REVENUE GUESS

1978/79

1975/76 Secured A.V. \$ 32,700,574

Inflated @ 2% per year

to 78/79

76/77 \$ 33,354,585

77/78 34,021,677

78/79 34,702,110 \$ 34,702,110

Add new construction

since 3/1/75

3/1/75 to 2/28/76 2,558,476

3/1/76 to 2/28/77 6,151,462

3/1/77 to 2/28/78 4,449,345

\$ 13,159,283

A.V. 25.1% of Market 3,302,980

Add 78/79 projected

Unsecured 3,250,000

P. U. Roll 2,500,000

\$ 43,755,090

A.V. is 25.1% of Market Value

78/79 Market \$ 174,323,067

Jarvis - 1% of Market 1,743,231

Assume Santa Paula shares in taxes in same proportion
as we did in 77/78, 17.57%

17.57% of \$ 1,743,231 306,286

Proposed 78/79 budget was based on
60,500,000 A.V. @ 1.68/100 or

\$ 1,016,400

Lost revenue from Property Tax 710,114

In addition, CETA positions which will be lost
(failure to maintain effort) decreases revenue by

68,000

Total lost revenue \$ 778,114

It should be noted:

1) Sale of property since 3/1/75 has not been included. If this amount
can be determined market value and resulting 1% would be increased.

2) Revenue sharing will be reduced in 80/81.

RECAP OF JARVIS BUDGET

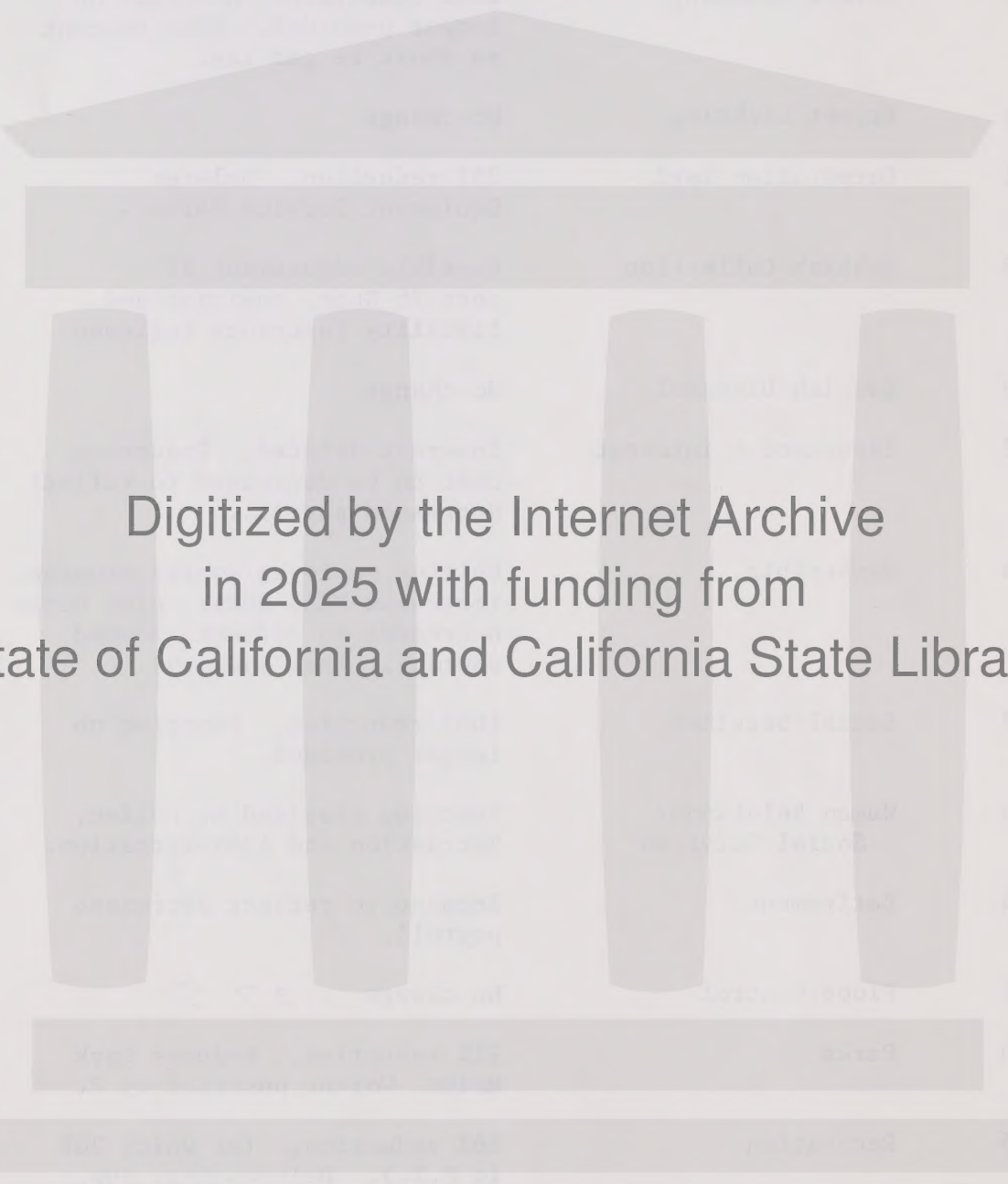
AS COMPARED TO RECOMMENDED 78/79 BUDGET

BY FUNCTION

<u>78/79 Page #</u>	<u>Function</u>	<u>Description</u>	<u>\$</u>
12	City Council	Deletes all purchase of misc. material	500
16	Clerk/License Collector	19% reduction.* Deletes 65% of an Account Clerk position. Reduces misc. M & O.	7,665
19	Legal Printing	No Change	
23	City Administrator	22% reduction. Reduces Adm. Asst. by 50%, Sec. by 2%. Reduces misc. M & O.	13,170
27	Planning	16% reduction. Reduces Sec. by 51%. Reduces misc. M & O. Deletes capital.	7,503
31	Treasurer/Finance	15% reduction. Deletes Senior Acct. Clerk position. Reduces misc. M & O.	10,226
35	City Attorney	No change	
39	Civic Promotion	100% reduction. Support of Chamber of Commerce, parades, Christmas decorations deleted in whole.	19,027
43	Gov't Buildings	12% reduction. Reduces custodian time by 38%, and minor reduction of M & O.	4,306
47	Police Admin.	23% reduction, 16% if holiday overtime and crossing guards included. Reduces: Sergeants by 1 (Det. Bureau) Agents by 2 (Human Rel. & Services) Officers by 2 (10 Plan) Deletes holiday overtime Deletes crossing guards Increases custodian .38 Reduces capital to minor + 2 vehicles.	169,854
50	Prisoner Care	No change	
53	Radio Operation	14% reduction. Reduces clerks by 1 (CETA). Minor M & O and capital reduction.	11,454
57	Fire Department	11% reduction. Establishes phased call of volunteers.	10,000
61	Building Dept.	59% reduction. Deletes Bldg. Officer position; places City Engineer in charge.	19,050

*Note: All reductions are calculated on salary and M & O only - capital not included.

<u>78/79 Page #</u>	<u>Function</u>	<u>Description</u>	<u>\$</u>
65	Admin. & Eng.	24% reduction. Deletes Assoc. Civil Engr. position. Reduces Sec. by 49%. Minor M & O and capital reduction.	26,602
69	Street Maint.	34% reduction. Deletes Tree Trimmer Leadman. Reduces Maint. Lead Worker 1.7, Maint. Worker .95. Increases Sr. Maint. Worker .09. Minor M & O reduction. Note: Gas tax funds are available to maintain this function; however, fund accumulation for street construction would be reduced.	50,189
73	Street Cleaning	100% reduction. Activity no longer provided. Same comment as above re gas tax.	23,447
77	Street Lighting	No change	
81	Corporation Yard	35% reduction. Deletes Equipment Service Worker.	11,522
85	Rubbish Collection	Possible adjustment of cost if Supt. position and liability insurance included.	
89	Rubbish Disposal	No change	
92	Insurance & Interest	Interest deleted. Insurance cost to be decreased to reflect decreased payroll.	see summary
95	Membership	Deletes employee awards program. Increases VCAG dues. Blue Cross decreased to reflect reduced payroll. (see summary)	500
97	Social Services	100% reduction. Function no longer provided.	18,800
100	Human Relations/ Social Services	Function provided by Police, Recreation and Administration.	22,956
104	Retirement	Reduced to reflect decreased payroll.	see summary
106	Flood Control	No change 1075	
110	Parks	21% reduction. Reduces Park Maint. Worker position by 2.	25,497
115	Recreation	66% reduction, (of which 20% is P.T.). Deletes Rec. Sup. position and part-time salaries. Deletes Sr./Teen center. Makes all programs user pay.	152,220
119	Sewer Lines	25% reduction. Reduces Maint. Lead Worker and Maint. Worker by .28.	6,505
123	Water Reclamation Facility	No change	
126	63 Sewer Bonds	No change	



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<u>78/79 Page #</u>	<u>Function</u>	<u>Description</u>	<u>\$</u>
129	Housing & Community Development	1% increase. Reduces Rehab Specialist to 50%. Increases Adm. Asst. by 50%.	special funds
132	Vehicle Parking Dist.	No change	
134	Revenue Sharing Available		25,000
	Total Reduction		635,993
	Salary Fringe Benefits Savings		<u>84,944</u>
			720,937
	Increased Refuse Revenue*		<u>52,000</u>
			772,937
	Needed Reduction		<u>778,114</u>
	Shortfall		5,177

If a sewer service fee were instituted to provide the cost of the collection and treatment facility, an additional \$174,000 is available, or approximately \$2.40 per single family residence.

*Based on \$3.85/month per single family with 25% increase on other fees.

JARVIS REDUCTION OF POSITIONS (20.12)

Program Assistant 50%

Senior Account Clerk

Account Clerk 62%

Secretary 50%

Chief Building Officer

Recreation Supervisor

Police Sergeant

Police Agent (2)

Police Officer (2)

Police Dispatcher

Secretary 50%

Associate Civil Engineer

Motor Sweeper Operator

Park Maintenance Worker (2)

Tree Trimmer Lead Worker

Maintenance Lead Worker (2)

Maintenance Worker (1)

Equipment Service Worker

Housing Rehab Program

Finance

City Clerk

Planning

Building

Recreation

Public Works/Engineering Admin.

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